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VOL. 2, ISSUE 12 | MARCH 2009 | RS 200

R.N.I. NO: DELENG/2007/19719

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AS Director General of the National Institute of Rural Development, BK Sinha is involved in a labour of love, so much so that he has requested the Ministry of Personnel not to shift him as Secretary. The 1952-born Sinha has MA (History), LLB and MPhil degrees. He joined the Indian Police Service in 1973 and switched over to the IAS in 1975, being allotted the Bihar cadre. He has served in several capacities in the state, including Deputy Commissioner, Ranchi, Secretary (Minor Irrigation), Secretary (Education), and Secretary (Public Health Engineering Department). He has also been Deputy Director General in CAPART, and worked in the Dr BR Ambedkar Institute for Social Justice besides being Joint Secretary in the Department of Fertilizers and Additional Secretary in the Ministry of Panchayati Raj.

Sinha, a practitioner of the adage of simple living and high thinking, has an abiding interest in social movements and rural development. He is currently associated with the mass movement of Swadhayaya.

interviewed by ANIL TYAGI

gfiles: What problems does rural India face?

BK Sinha: One, it comprises almost 70 per cent of our population and 60 per cent of our workers are from the agriculture sector. This sector contributes 17 per cent of the Gross Domestic Product (GDP). The problem is that more people are available for work in a sector which contributes less to the GDP. Hence, there is poverty. The second problem is that agriculture is not growing fast enough. The



SHARAD SAXENA

BIG BOSS

director general, national institute of rural development | bk sinha |

'Grassroots planning has never been implemented'

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BIG BOSS

third is that, wherever it is growing, there is no attendant expansion of employment. The fourth problem is that infrastructure in rural areas is very weak. It cannot sustain the rapid growth process.

gfiles: *What do rural people have to say?*

BKS: Their problem is that their institutions are not functioning. We have different systems for rural and urban areas. The 73rd Amendment was a revolutionary step. It made the panchayat a Constitutional body and made provisions for safeguarding the integrity and functioning of the panchayats. So local self-governance was brought on a par with other tiers of government. Some of the states have empowered panchayats. It has been left to the states to bestow powers on the panchayats. They

.....
'More people are available for work in a sector which contributes less to the GDP. Hence, there is poverty. Agriculture is not growing fast enough. Wherever it is growing, there is no attendant expansion of employment. Infrastructure in rural areas cannot sustain rapid growth'
.....

have been given two functions – planning for development and social equity. They will plan, and implement the plans.

gfiles: *What do you mean by institutions in rural areas not functioning?*

BKS: I am coming to that. The empowerment of the panchayats is at different levels in different states. In some states the panchayats are doing well. The level of satisfaction is greater. In other states, they are yet to be fully empowered. Suppose a village is 30 km from the police station. So the panchayat is the nearest. But if its members are not fully empowered, how will they work?

Second, the task of the administration has become very complex. It is not what it

was at Independence. Then there weren't so many development programmes. The administration was confined to law and order, and revenue. Our administrative structure has not altered sufficiently to take care of the aspirations of the people. It needs to alter to become cost-effective, rich in delivery and sensitive to the needs of the people.

gfiles: *Is the problem unemployment or lack of infrastructure?*

BKS: Both. Unemployment is the result. The problem is the low output of our various programmes. It is not that the government is not doing programmes. Successive governments have been conscious about the problems and designed programmes for rural India but the output of these programmes is not at the expected level. For instance, when the community development programmes were designed, the roofs in the block offices were Shalimar roofs. These were made of precasted strips and their life was only 15-20 years. It was expected that in this period all the necessary development would take place and there would be no more need for blocks. It has been 50-60 years. The blocks remain and the problem remains. So the output of these programmes has been very poor. Now take a programme like the Integrated Rural Development Programme. It was a poverty alleviation programme. When the Planning Commission assessed it, it was found that its success was less than 15 per cent. It is a problem of implementation and delivery.

gfiles: *Delivery by whom? The machinery of the Government of India?*

BKS: The Government of India does not act directly. It's a federal structure so it acts through the states. Therefore the programme designing needs wide consultation. Yet, some of the programmes failed to deliver at the grassroots level. There can be many reasons for that. Another problem is that of the planning process. From the Second Five-Year Plan onwards, we have been talking about grassroots planning but it has never been implemented. In 2006, the Ministry of Panchayati Raj constituted the V Ramachandran Committee. It submitted a model for planning – a grassroots development model where the plans will emerge from ward level to even below village level. It has been accepted by the Planning Commission but it is yet to start

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Published and printed by Anil Tyagi on behalf of
Sarvashrestha Media Pvt. Ltd at Mayur Print House,
A 29/1 Naraina Industrial Area, Phase-1, New Delhi-110028

All disputes are subject to the exclusive jurisdiction of competent courts in New Delhi only



From the Editor-in-Chief

EVEN with the world economy slowing down and the next general election nearly upon us as we slowly recover from the worst terrorist strike this nation has ever known, political parties and their leaders have so far been unable to enunciate clear issues on the basis of which voters ought to make their choices about their next government. So lacklustre has been the performance of the leaders of the two major national parties, so predictable has been the posturing of the regional, ideological and caste-oriented third-fronters that the crises that stare India in her face have catalyzed no clear agendas for forceful debate and purposeful action.

It's not as if elemental concerns are not staring us in the face: the need to reorient foreign policy in view of exceedingly dangerous developments in all neighbouring countries; new challenges to our national security; an alarmingly declining rate of GDP growth; the widespread politicization of governance and declining morale and performance of the civil service; our dilapidated educational institutions, our trifling healthcare system and social security for the elderly.

The system and the government are simply delivering far, far less than the best; everybody complains about this and yet there is not a leader on the horizon articulating even a single one of these issues or building solution-oriented initiatives. It seems as if the wind has simply gone out of the sails of our ship of state and the oarsmen are fast asleep.

This issue of *gfiles* carries several passionately argued pieces which communicate these concerns. Our cover feature, Anil Tyagi's interview with BK Sinha, director general of the National Institute of Rural Development (NIRD), deals with a subject of seminal importance to the future of India's economic health and governance: how to grapple with the problem of rural employment, distress migration, nutritional intake, food security, assets creation, infrastructure, empowerment and purchasing power.

This in itself is a fundamental which, in these trying times, should be the subject of intense national debate and prescriptive ideas. We keep hearing that, to a large extent, India's agricultural economy has been a socially stabilizing factor and has helped the nation ward off the worst effects of the worldwide meltdown. If so, then isn't it time we rethought our ideas of rapid forced urbanization as the key to modernity and devoted more resources and better governance to massively strengthening rural India that comprises 70 per cent of our population?

As Sinha puts it: "Sixty per cent of our workers are from the agriculture sector which contributes 17 per cent of the GDP. The problem is that more people are available for work in a sector which contributes only a small amount of the GDP: hence there is poverty. Agriculture is not growing fast enough, wherever it is growing there is no attendant expansion of employment, rural infrastructure is weak and cannot sustain the rapid growth process."

Surely, after having initiated the National Rural Employment Guarantee Scheme (NREGA) – the biggest programme of the government that is set to pump a humongous Rs 580,576.9 million into rural areas – all political leaders today have the subject matter for a solid issue-based debate that is vital to the future health of our country: how can rural India be developed? Is NREGA a powerful tool to accomplish this and, if so, how can we rally the nation to champion its effective implementation?

INDERJIT BADHWAR



LETTERS: Congratulations for the special issue on air power (February 2009). Air Chief Marshal Fali Homi Major was candid about India's strengths. Air Marshal Narayan Menon's

article was an eyeopener in its revelation that

the Indian Air Force has to act within three minutes to defend India. He pointed out that we have to function in such a way that we can take swift action when required. But are we really planning for a war?

This brings to mind the occasion when the then Army chief went to discuss the defence budget with Prime Minister PV Narasimha

Rao and advocated a substantial enhancement. Rao asked if we were going in for a war. No, said the General. The Prime Minister accordingly left the budget unaltered. In this period of financial crisis, everyone is desperate to sell equipment worth billions of dollars to India. Should we be eager to buy?

Hanumantha Rao, Vijayawada

LETTERS

Continued from page 3

TR Ramachandran's article, "Is PC politically correct?" was educative. There is usually a story behind the rise of every politician and Chidambaram is no exception. However, despite being a very good administrator and a shrewd politician, the fact remains that he has no mass appeal and therefore cannot win an election on his own. He needs the DMK or the AIADMK to win an election in Tamil Nadu. The history of the Congress party is full of instances of leaders who are performers but lack a votebank to win elections. The present government is a case in point. One can only keep one's fingers crossed till the results for the election to the 15th Lok Sabha are announced.

LM Narayanan, Madurai

Form IV (See rule 8)

gfiles

1. Place of Publication: New Delhi
2. Periodicity of Publication: Monthly
3. Printer's Name: Anil Tyagi
- Whether Citizen of India?: Yes
- (if foreigner, state the country of origin): Not applicable
- Address: 118 2nd floor, DDA Site 1, New Rajinder Nagar, New Delhi-110060
4. Publisher's Name: Anil Tyagi
- Whether Citizen of India?: Yes
- (if foreigner, state the country of origin): Not applicable
- Address: 118 2nd floor, DDA Site 1, New Rajinder Nagar, New Delhi-110060
5. Editor's Name : Anil Tyagi
- Whether Citizen of India? : Yes
- (if foreigner, state the country of origin): Not applicable
- Address: 118 2nd floor, DDA Site 1, New Rajinder Nagar, New Delhi-110060
6. Name and Addresses of Individuals who own: OWNER
- The newspaper and the partners or shareholders: Sarvashrestha Media Pvt Ltd. 118 2nd floor, DDA Site 1, New Rajinder Nagar, New Delhi-110060
- Holding more than one percent of the total capital Shareholders: 1. Anil Tyagi, 118 2nd floor, DDA Site 1, New Rajinder Nagar, New Delhi-110060
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I, Anil Tyagi, hereby declare that the particulars given are true to the best of my knowledge and belief.

Dated. March 01, 2009

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Faces of poverty:
tribal; (right) rural

'Our administrative structure has not altered sufficiently to take care of the aspirations of the people. It needs to alter to become cost-effective, rich in delivery and sensitive to the needs of the people'

Continued from page 2

because some states are yet to constitute the district planning committees which are the key institution in the planning process.

gfiles: So these are the only tools for development?

BKS: This is the broad scenario. There is another problem. We have many institutions which generate technology and some very relevant technologies have been generated. They have brought excellent results. But the problem is their operational implementation. Let us take the green revolution. It was a path-breaking technology, a seed technology. But such path-breaking technology can come once in a while. We have many intermediate technologies and if implemented they will produce results. To break the stalemate in the agriculture sector, two things have to take place. There has to be technological upgradation such as how we sow the seeds, how we treat, multiply and protect our seeds. Our seed replacement rate is hardly 10-15 per cent. The requirement is that the seed should be replaced once in three years. So we have intermediate technologies but they are not

being operationalized. Absorption of technology is not taking place sufficiently.

Again, there is a problem of availability of key inputs, like fertilizers. Farmers are getting killed over fertilizer. Agriculture does not wait for anybody. It is like a child. If you cannot provide today, no matter if you provide double tomorrow. What has been missed has been missed.

Another big problem with agriculture is prices. The input prices are rising but the product prices have not been able to keep pace. The profitability has gone down. When I was a student, there used to be a slogan about leaving a government job for agriculture. So agriculture was remunerative. Now, even someone with 30 or 40 acres of land would prefer a government job. Our price mechanism has somehow restricted the prices. People are moving towards more and more cash crops.

gfiles: How can these problems be solved with programmes?

BKS: Some of the recent programmes of the Government of India are path-breaking, such as the National Rural Employment Guarantee Scheme (NREGA). The more I look at it, I am filled with wonder. We are



‘Our study reveals that NREGA has enhanced the bargaining strength of landless labour, the poorest and most vulnerable class. Now the capacity to refuse work for lesser wages is there among them’

researching this project. There are aberrations but the programme is picking up. It is a demand-driven programme. You have a job card and you demand work and if the demand is not fulfilled then you are entitled to employment allowance. This programme has the right structure. The second thing is that this programme is being delivered through the panchayati raj system and 85 per cent of it is being implemented by panchayats.

Our study reveals that NREGA has enhanced the bargaining strength of landless labour, the poorest and most vulnerable class. Now the capacity to refuse work for lesser wages is there among them. NREGA aims to provide employment. When you fail then you have to pay employment allowance. The second aim is to have productive assets. The third is to have productive assets by prevailing employment and you can reduce poverty.

gfiles: *Have you done a study of the states implementing NREGA in letter and spirit?*

BKS: We are doing it. I must give full marks to Andhra Pradesh. West Bengal has done well. Tripura is also using the programme. UP is lagging behind. We are

doing consultations. We submit our observations to the Ministry.

gfiles: *It is remarked that NREGA is a spoon-feeding programme for the poor and landless labour because the government could not create jobs through industry or agriculture.*

BKS: Providing employment in the mixed economy is a market function. India has seen robust growth in the private sector but employment has not been generated at the desired level. The growth in the informal sector has been observed to be more than 4 per cent but this has been unable to absorb the surplus from the rural areas.

gfiles: *What is the problem?*

BKS: One is that the rural population is unskilled. Second, the rate of growth is insufficient. Third, the growth in the industrial sector is not in tune with the growth of unemployment. According to the Planning Commission, we have to provide employment to 13 crore people. Our agriculture sector is not able to absorb the new labour force which is joining the sector. This programme is a great support.

gfiles: *How can rural India be developed?*

BKS: By application of more resources to the basic infrastructure – roads, education,

health, housing and so on. Second, greater investment in public irrigation works. Third, strengthening of implementation institutions. Fourth, better implementation.

gfiles: *How much longer for total poverty eradication?*

BKS: It can be done in 10-15 years provided your policies are right, your emphasis is right, your implementation process is good. Even high GDP in some sector does not mean poverty eradication will take place.

gfiles: *You said agriculture contributes 17 per cent of GDP. Suppose tomorrow we have a GDP growth rate of about 15 per cent, agriculture's contribution comes down to 4 per cent. So you will have GDP but not food.*

BKS: You are right. The rural household has to be strengthened. Subsidiary employment has to be provided to them. Rural households which are deficient by nature have to be provided food and shelter. NREGA has changed this situation. Their bargaining strength has gone up. Migration has declined. When the human capital in this class rises, most of the problems can be solved. In the whole scheme 90 per cent of the people are poor. Initially this scheme was first started in 200 districts. Now we have a target of 615 districts. We have provided employment to 3.48 crore households up to December 2008.

gfiles: *What is the benefit to the people who are joining NREGA?*

BKS: Assets creation in villages has increased the land value of the small holders of agriculture. NREGA wage earnings have increased on an average of Rs 2,880 per household. This has resulted in poverty reduction. You can see it when you visit the benefited areas.

gfiles: *How much money is the government spending?*

BKS: We started in 2006 with Rs 120,897.3 million. Till now funds available with NREGA are Rs 580,576.9 million. Out of that we have released Rs 439,536.9 million and NREGA has spent Rs 399,773.5 million.

gfiles: *But there are many complaints that the implementation machinery is not working.*

BKS: At some places complaints have come to our notice. One is lack of staff, resulting in poor performance. Overstaffing in states like AP has resulted in high administrative charges. Inadequate deployment of junior engineers and technical assistants and accountants resulted in delay in issue of technical sanctions. **g**

Capt Sharma flying high cockpit bar latest endeavour

WHATEVER the general perception about the laggardly ways of the typical Indian politician, there is a select group among the current crop who can certainly keep up with the Joneses of international political circles. And they can exhibit some extremely creative and innovative thinking while going about it. Last month, the capital got a brand new bar – christened the Cockpit Bar – at the Delhi Flying Club. The décor of this bar – unique and in keeping with its name – has been conceived by and executed under the personal supervision of the club's president, Captain Satish Sharma. The bar was inaugurated in style by Captain Sharma, accompanied by his wife. About 300 members and their families were feted with a lavish menu and drinks – all on the house.

The members are all praise for their President who, despite his political preoccupations, has steered the club through difficult times. During the previous NDA regime the club, which was set up as far back as 1928 to provide the facility of a leisure lounge at Safdarjung airport, was almost taken over. Captain Sharma shot into the limelight as a friend of Rajiv Gandhi and



later as the Petroleum Minister but got mired in controversies. Despite the setback in his political fortunes, he has continued his loyalty to the Nehru-Gandhis.

Tit for tat in DD Kendra bakshi raj in full swing

IN a charitable gesture by the PMO, the terminally ill Priyaranjan Dasmunsi continues to hold the Cabinet rank post of Minister of Information and Broadcasting. He is thus allowed to retain the official bungalow and cars provided by Doordarshan. However, when BM Bakshi took over as Director, Delhi Kendra of Doordarshan, among the first things he did was to issue instructions to withdraw all facilities, including cars and personnel, given to the Minister. This was in retaliation for Dasmunsi having shipped Bakshi to Tripura for controversial behaviour regarding sports coverage and his links with the RSS. Bakshi was also instrumental in cutting short the tenure of the then DG, SY Qureshi, who is now Election Commissioner of India, during the Vajpayee regime. Now, it is said that he has openly declared he will take orders only from Prasar Bharati CEO BS Lalli and not Aruna Sharma, the new DG of Doordarshan, who has been appointed for a month under the orders of the CAT. This is being seen as a serious development since, under the Prasar Bharati Act, all administrative powers rest with the DG alone. It is being perceived as Bakshi pelting a stone at the UPA even before the elections have been announced.



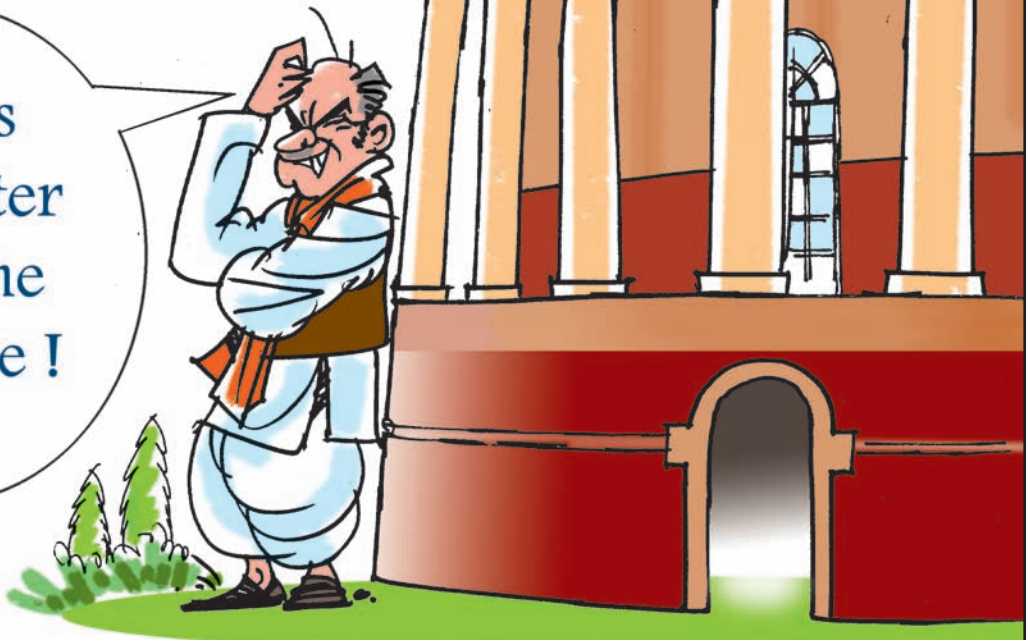
Kings all, or none's a king who's congress' number two?

ONE fallout of Prime Minister Manmohan Singh's heart surgery has been the opening of a Pandora's box for the Congress. The question is, who is *primus inter pares* after Manmohan? The Congress has always been known to have the unique effect of cutting every leader to size. The cutting competition inevitably spawns frustration and, after a point, leaders ask why 10 Janpath doesn't simply resolve the issue by declaring the hierarchy.

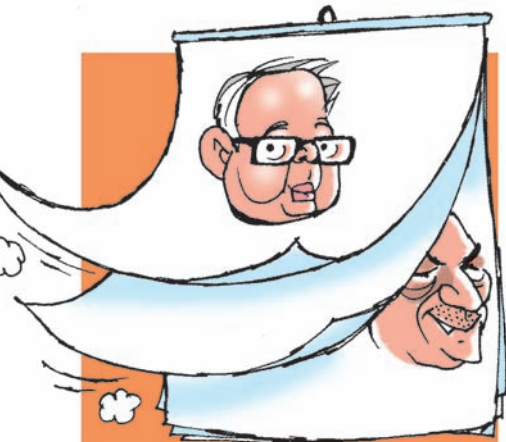
While Pranab Mukherjee was chosen to head Cabinet meetings, he was still not declared number two. Kamal Nath and Kapil Sibal were each hoping that, with the exit of P Chidambaram from finance, they would get the portfolio but it went to Pranabbabu. When new Home Minister Chidambaram wanted to visit the US to brief the Americans about the Mumbai attack, Mukherjee told him he couldn't go because it was the domain of the External Affairs Ministry. When Mukherjee went to Sri Lanka, an order was issued that in his absence Defence

Bloodshed in
Pakistan and
Bangladesh

Scams
are better
than the
violence !



Minister AK Antony would take all decisions. North Block officials went to Chidambaram with a query as to who, apart from RAW chief KC Verma, they should consult on internal security. Speak to Antony, was Chidambaram's reply. Antony learned of this and his retort to Chidambaram was that it was a question of four days so how did it matter who looked after what. Ah well, being king, even for a day, is all.



'Blackberry Gandhi' rahul sets new trends

WHEN Rahul Gandhi entered politics, many Congress leaders had commented that he would sink rather than swim. But, over time (and never mind if he did take considerably more time than expected), he has made those cynics eat crow. A painstaking and plodding learner, he has picked up the ropes and now slowly started to assume command within the party. He has developed a reputation for meaning business. Over the last three months, he has interviewed thousands of youngsters interested in working with him.

Perhaps the Gandhi scion's most notable contribution is not just that he has invigorated the party's youth but has set new standards in the use of technology to best serve the needs of a political party. Every member of his core group possesses a Blackberry. The group uses emails and smses to communicate rather than phoning one another – which aids privacy. But, while all this is very well, will the young leader be able to tackle ageing bureaucrats and party seniors?



What a fall, my

by VIJAY SANGHVI

ONE more institution created by the Constitution has been dealt a severe blow to undermine its authority. The blow was delivered not by any of the politicians who as a class have now perfected their skill of undermining institutions that were created and nurtured with great care for the first three decades of independence. The blow came from a person who was holding the office to nurture it and strengthen it with his leadership. It came when the Chief Election Commissioner N Gopalaswami wrote to the President, of his own volition and without a reference by the President, that Election Commissioner Navin Chawla should be relieved of his post because he frequented the toilet too often when the Commission members were in session over important matters. The Chief Election Commissioner apparently does not know of the agony a person undergoes due to an enlarged prostate gland.

He also does not seem to have studied the efforts by not only Prime Minister Jawaharlal Nehru to build new institutions of the Indian Republic in various fields but also the contribution by the Opposition to his efforts with its restrained and constructive approach. For instance, the entire Opposition made up of small parties fighting the first general election in 1952 against the only large party, the Congress led by Nehru, was enraged due to suspicions of irregularities and underhand dealings during the election. After a three-hour debate at their joint meeting soon after the election, they decided not to go public over the issue as it might have shaken public confidence in the institution of the Election Commission.

The *suo motu* move by the Chief Election Commissioner triggered a fierce political controversy. His action became suspect because of its timing and circumstances. The Bharatiya Janata Party had suddenly decided to withdraw its petitions in the Supreme Court and submit its memorandum for action against Chawla to the CEC. There was no comprehensible logic for this

The prestige and authority of institutions are

unless the BJP was not confident of getting a verdict from the apex court that would meet its political ends.

The CEC sent his recommendation to the President only a hundred days before the Lok Sabha elections and less than a hundred days before his own retirement. Surely he knew that his opinion without reference could not be binding on the President.

Gopalaswami has no plausible explanation for the timing. His explanation was that Chawla did not respond to his three reminders to answer the charges against him. If he had evidence to prove that Chawla was acting in favour of one player, the better option would have been to communicate to the President his own inability to function with one member acting thus. The President would then have had to choose between an impartial Chief Election



Gopalaswami: image problem; (right) political parties: damaging Parliament?

The EC became feared as it could cause disqualification for six years. The institution had found the faith of people in recent years. In one stroke, Gopalaswami made everyone view it with suspicion

Commissioner or a commission with one tarnished member. This would have upheld the image and reputation of both the Election Commission and its chief officer.

The Election Commission had so far maintained a clean image. Recommendations for electoral reform, based on its experiences during elections, were not heeded by successive governments till TN Seshan occupied its top post in January 1991 and transformed not only the style of functioning but also empowered himself with the latent powers that the EC had not invoked earlier. His successors had to live by the standards he had imprinted. Each successor had to be more punitive towards political parties by introducing reforms that were inherent in law but never resorted to. Candidates were earlier not obliged to

file affidavits stating assets nor were they accountable for the number of public rallies in their constituencies. And never had the Election Commission appointed observers swarming all over and noting even the number of cups of tea served at candidates' election offices. The EC became feared as it could cause disqualification for six years. The institution had found the faith of people in recent years. In one stroke, Gopalaswami made everyone view it with suspicion.

The political parties have added their bit by their partisan responses to suit their political ends instead of looking at the issue objectively as damage to the institution. The BJP said that the CEC recommendation justified its stand. The Congress responded by condemning the CEC and

COUNTRYMEN!

being eroded by the actions of those in power



SHARAD SAXENA

enforce a debate on the telecom scandal in the Narasimha Rao regime. It was patently an issue of sovereignty of Parliament where there was no scope for interference by the judiciary.

IN the case of the judiciary, too, there was no less damage to it when Prime Minister Indira Gandhi superseded three senior judges in appointment of a Chief Justice in 1971. Equally damaging was the use of the Constitutional power to overcome the political crisis when the Allahabad High Court unseated Prime Minister Indira Gandhi in 1975. The reluctance of the judiciary to allow itself to be governed by the Right To Information Act and give out details of declared assets to the public is no less damaging to its image.

Nehru created educational institutes for higher technical education that earned world reputation because their emphasis was on merit. Their reputation was undermined when the current Human Resources Minister forced them to adopt a procedure for admissions based on ethnic discrimination. In one stroke, the institutes and their reputation was undermined in the name of social justice but essentially for petty electoral politics.

The new generations occupying posts of power give no second thought to the impact they cause by their actions based on personal consideration. Even those aspiring to the nation's top post prefer shortcuts. They forget that there are no shortcuts to building the nation and its institutions of excellence. **g**

defending Chawla, whose past activities have come under the scanner more than once. Both sides could have put their heads together and found a solution so that such damaging incidents are not repeated. They could have worked out a formula for appointments to the Election Commission as they have done in cases of other high government appointments.

Sadly, the episode is characteristic of our times. The plight of Parliament as an institution has been even more tragic. It is no more a forum for informed debate to seek solution to the nation's problems. As many as nine members have been disqualified for misuse of their privilege to ask questions. One had to be debarred from membership

for involvement in human trafficking.

But the collective damage to its reputation was caused by flaunting of currency notes inside the Lok Sabha hours before the vote of confidence last July. Though it was established as mere drama by the Parliamentary Committee set up later to look into the allegation of bribery, the damage was done. The public trading of charges of corruption by politicians was enough ground for formation of a general perception of lack of morality and ethics among politicians.

The onslaught on the prestige and supremacy of Parliament had begun two decades earlier when some members had sought Supreme Court intervention to

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Achievement of excellence has been sacrificed at the altar of nepotism, expediency, and sycophancy

by NILMADHAB MOHANTY

ADMINISTRATIVE reforms, meaning reorganization and streamlining of public service bureaucratic structures and procedures, have been on our public agenda for years. These reforms are necessary and in some cases overdue. However, in the evolution of our polity we have reached a stage where these reforms will not work unless they are widened to cover the political component of the executive both in the state and Central governments. This is essential because of the primacy of the political leadership in the government's decision-making processes.

Governance, the creation and execution of policy, is a difficult task. It requires knowledge, acquired skills, a mature approach and prudence which comes through experience. In almost all liberal democracies, political leaders occupying top leadership (ministerial) positions have prior experience of working in different organizations – local self-government, cooperative societies, party organizations, or non-government agencies including corporate bodies in the private sector. Through personal involvement in running the affairs of these organizations, the prudent leader internalizes the experience of real-life decision-making situations. This enables him later in life to judge what is important, who can be persuaded and what will work. He thus develops a pragmatic approach and also a willingness to understand and appreciate different viewpoints.

There is a feeling in some quarters in our country that since the permanent civil servants and experts provide technical details and advise on alternatives, the political leader in government can make do with very little or nil knowledge and experience. This explains why illiterate housewives, innocent film stars and inexperienced scions of political families are suddenly parachuted into government leadership positions. Compare this with what happened in the US recently: when Sarah Palin

HEALING T

was nominated as the Republican Party's vice-presidential candidate last year, questions were raised about the adequacy of her qualifications and experience for the high office as she had only been the mayor of a small town and Governor of a small state.

Newly-independent India in the 1950s and 1960s had wise and sagacious leaders like Jawaharlal Nehru, Vallabhbhai Patel, C Rajagopalachari, BR Ambedkar, BC Roy, Lal Bahadur Shastri, GB Pant and many others who steered the affairs of the state ably. They were knowledgeable and experienced leaders who came from various professions and had the best interests of the nation in mind. Today, a large number of politicians come up on the basis of caste, religion, family pedigree, ill-gotten money, even criminality. Many elected officials are ill-prepared for the leadership positions they come to occupy in government. There is no prior experience in public office, no sense of history, no commitment to the basic liberal values enshrined in the



Illiterate housewives, innocent film stars and inexperienced scions of political families are suddenly parachuted into government leadership positions. Compare this with what happened in the US recently: when Sarah Palin was nominated as the Republican Party's vice-presidential candidate last year

Constitution. Naturally, most issues of governance are politicized and administration is vitiated by political interference in the pursuit of personal agendas and/or in support of the vested interests.

These tendencies have their impact on the permanent civil service as well. For objective and professional advice the top civil servants must be selected on merit, competence and expertise. In many mature democracies government leaders

select advisers and key functionaries who show independence of mind and are capable of articulating viewpoints different from those of the leader. In our country the preference is for "yes men" who often anticipate their political masters' views and tailor their advice accordingly. Any official showing independence of mind or articulating a different point of view is subjected to frequent transfers and/or faces marginalization in his career. It is, therefore, not



THE LEVIATHAN



Flowers for the PM: protocol or sycophancy?

What is the solution? The widespread public anger against the entire political class that followed the Mumbai terror attack is a pointer to the deep dissatisfaction against the “management style” of the political leadership in government. But this anger will remain incoherent and meaningless unless it is shaped into a constructive form to deal with the current crisis in authority. And the only instrument that is available to the people at large is the process of selection of our political leaders through elections. Our citizen-voters must remember that democracy is not average citizens selecting average leaders. Democracy is about average people having the wisdom to select the best prepared (for law-making and governance).

IN this connection there is also the responsibility of our political parties, mainly the two national parties (Congress and BJP), to bring about a qualitative improvement in the political leadership in government. Along with their agendas for governance and development, they should offer candidates (for election to the national and state legislatures) with the appropriate background and experience in public affairs. There is a tendency among our political parties to select candidates on the basis of their ability to win, often to the exclusion of the important criterion of “suitability”. This prompts them, for example, to select “greenhorns” (from political families), illiterate persons on the basis of caste and community, film stars who have no interest in governance affairs and even persons with criminal background. Some of them end up as government leaders in due course. Persistent public pressure as seen during the Mumbai terror attack and an unmistakable signal by our citizen-voters that they can no longer put up with undesirable elements in our politics will gradually force the political parties to fall in line. **g**

The author is a former Secretary to the Government of India

In our country the preference is for ‘yes men’ who often anticipate their political masters’ views and tailor their advice accordingly. Any official showing independence of mind or articulating a different point of view is subjected to frequent transfers and/or faces marginalization in his career

unusual to find government officials, including intelligence and security advisers, engaged in political management for the ruling party – in neglect of their assigned responsibilities.

In this scenario accountability is given a go-by, and nepotism and corruption are allowed a free run. Earlier, probity in governance was a major issue and anti-corruption agencies like the Central Bureau of Investigation and state vigilance organiza-

tions were set up to deal with this problem. Now, no one even mentions “corruption” and anti-corruption agencies are used to settle personal or political scores.

Achievement of excellence thus becomes a casualty. Hence, in spite of various studies and availability of numerous reports and recommendations on administrative and police reforms, no credible measures have been taken to implement these proposals or improve the system.

Despair, Anguish...and HOPE?

by SUDARSHAN AGARWAL

I HAVE many things to say to you. Some of them may not be very nice to hear, some of them are in fact a cry of anguish and despair of our countrymen at the miserable quality of governance your peers and predecessors have given them. But I also speak with a sense of hope because I share the belief with the rest of our countrymen that for all the degeneration of our public life and morals, for all the exposes about corruption scams, for all the painful images of RK Sharmas and Subhash Sharmas and Anurag Vardhans being produced in court, your institution still represents our collective hopes for a better and fairer future.

One of the most conscious choices the Founding Fathers made while deliberating on the Constitution of India was to retain the Civil Services of the Raj in their entirety. The debates of the Constituent Assembly in this regard were passionately argued on both sides.

The detractors argued that with their colonial ethos and autocratic mindset, the Civil Services were unsuited to serving the needs of a democratic, independent India. The proponents, including Pandit Nehru and Sardar Patel, argued that a lifetime spent in the freedom struggle had left their generation ill-equipped to manage the nuances of everyday governance. They believed that with their discipline, dedication and sense of *esprit de corps*, the Civil Services would rapidly rise to the challenge and continue to provide a steel frame to hold together an otherwise fissiparous idea of India. To underline this faith they introduced Article 311, literally an article of faith in human virtue over greed, faith in a sense of public service over private gain, and faith in moral and intellectual integrity over weak and decadent character. Fifty-six years is perhaps enough time to test the validity of this extravagant faith.

One begins to understand the reasons why the Founding Fathers took that leap of faith in preserving the Civil Service. What they could not of course foresee is that they thought they had placed their faith in an institution whereas in fact they had placed their faith on the warrior-scholars of a par-



IAS probationers with the PM: will they dare to be different?

ticular generation born and bred of a specific historical legacy and social sensibility that would wither away before the onslaught of the released energies of a demanding and partially democratic India. The very Constitutional protections that were provided to guarantee the moral and intellectual resilience of the steel frame would be suborned by impatient successors to drive a devil's bargain with their counterparts in the political and business class. It could not be otherwise. In a poverty-stricken independent India, shackled by ideology, protected by government jobs with low demands of accountability and efficiency, and high returns from dowry and loot, the Services were bound to attract men of high intelligence and higher aspirations.

Ambitious men, who inherited a tradition of vision, hard work and meticulous scholarship and replaced it with their own brand of low cunning and lower morals, who treated the powers granted to philosopher kings with the base instincts of petty thieves and conmen.

The manners and courtesies of that era have long gone and have been replaced by the civility of the robber and the grace of the thief. Men who will exercise their mind for private gain at the public expense now succeed men who produced remarkable works of scholarship. Because they passed the

most difficult exam in the country, they must now have the licence to loot and ravage the public exchequer. The perpetuation of the privileges and powers of the Civil Services was an act of profound faith at the time of Independence. Their continuation in the face of non-performance, incompetence, corruption and acts of outright criminality is possibly the most profound betrayal of the ideals of our Republic. The challenge on your generation is therefore, much the greater.

Not only do you have to prove yourself, but in an era of globalization and liberalization, where the very rationale of government is being questioned by sceptical voters and taxpayers, you have to restore our collective faith in the instruments of governance and government. So when, a few years down the line, you are tempted with your first bribe, when you are offered that astronomical amount for dowry or when you are simply asked to look the other way while some irregularity is being committed, pause for a moment and reflect that what you would sell if you were to succumb would not just be your individual soul and conscience but also the collective hopes of a nation. Many of you would, alas, be prepared to pay that price, but I do hope for all our sakes that a courageous few amongst you would dare to be different. **g**

Excerpted from an address by former Governor Sudarshan Agarwal at the valedictory function of IAS probationers

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MUMBAI TO LONDON STARTING 5th JAN'09, MUMBAI TO HONG KONG STARTING 12th JAN'09, AND MUMBAI TO SINGAPORE STARTING 16th JAN'09

by MG DEVASAHAYAM

“SLUMDOG is just every scrap of dirt picked up from every corner and piled up together to try and hit back at the growing might of India. And the awards almost seem like a sadistic effort to show the world – look, we knew that this was India, and these are the slumdogs we are outsourcing our jobs to,” writes Arindam Chaudhuri of *The Sunday Indian*. The angry Mr Chaudhuri is a bit off tangent.

Writer Shobhaa De was more to the point: “I watched *Slumdog Millionaire* on a pirated CD and am reeling. As someone who has seen Mumbai turn from ‘The City of Gold’ to ‘The City of Muck’, this movie encapsulated the despair and desperation of Dharavi in a manner so gritty it was scary. It cut terrifyingly close to the bone as it took us straight into the innards of this brutal world, where wide-eyed kids lose their innocence (and their eyes) at the hands of ruthless gangsters who mutilate, maim, kidnap and kill at will.”

She has hit the nail on its head. India, the land of Gandhi and *ahimsa*, has been made brutal by corruption and injustice, says Aravind Adiga, winner of last year’s Man Booker Prize for his debut novel, *The White Tiger*.

That there is no access to justice for the poor is admitted by the Supreme Court itself. “No man will dare to come to the Supreme Court. Only those who have Rs 50 crore, or Rs 100 crore or Rs 200 crore can come to the court. Why Supreme Court, it would even be difficult for them to approach the munsif court,” a three-judge Supreme Court bench of Justices BN Aggrawal, GS Singhvi and Aftab Alam observed the other day. Can there be a more damning indictment on the total failure of the justice system which is the bulwark of governance?

An independent, impartial and accessible judiciary and a speedy and efficient system are the very essence of civilization. However, our judiciary, by its very nature, has become ponderous, excruciatingly slow and inefficient and virtually inaccessible except for a few with money to spend. Imposition of an alien system, with archaic and dilatory procedures, has been extremely damaging to our governance and society.

As eminent jurist Nani Palkhivala once observed, the progress of a civil suit in our courts of law is the closest thing to eternity

The SLUMDOG SYNDROME

The country wallows in a slime of corruption and injustice



As Nani Palkhivala observed, the progress of a civil suit in our courts of law is the closest thing to eternity we can experience! Our laws and their interpretation and adjudication have led to enormous misery



we can experience! Our laws and their interpretation and adjudication have led to enormous misery for the litigants and forced people to look for extra-legal alternatives. Anyone faced with litigation, particularly those who are on the wrong side of governments and banks, can easily understand the cruelty and heartlessness of the justice sys-

tem. What is worse, powerful litigants like governments and banks can get away with the worst form of lies and perjury because they represent “public interest” as against the “private interest” of the *aam aadmi*. In the event, justice gets brutalized.

Corruption is the worst form of brutality and poverty is its true manifestation.

Even though India’s poverty rate has dropped from 60 to 42 per cent according to the World Bank, the number of Indians scraping by on less than Rs 60 a day is an astronomical 467 million. That hunger has almost half the Indian population in its grip is not all that this figure implies. Among huge swathes of India’s poor, life is little more than a bare, often brutalized attempt at staying alive, a struggle in many cases hijacked by human trafficking, deemed by the United Nations the world’s third largest illicit industry after arms and

drugs. Extreme poverty and the low premium traditionally placed on female lives see thousands of girls, most of them mere children rather than women, sold into unmitigated hell by family members and acquaintances.

Unjust management of land that deprives the small and marginal farmers of their home and livelihood is another brutality. This is what the Special Economic Zones (SEZs) do. While at national and political level debates abound on the policy issues involved, from the size of SEZs to fiscal impact to “processing area”, the human impact of such exclusive development has often been neglected.

MAD pursuit of this “real estate” business as described by the Reserve Bank of India will lead to largescale displacement and consequent impoverishment of millions of already neglected citizens. From available estimates, SEZs are likely to usurp 200,000 hectares of mostly prime agricultural land, which will displace at least one million people whose survival depends on it. At a time when India is fast urbanizing and the crunch for natural resources is becoming more severe by the day, inequality of this kind leads to discontent at best, to a democratic breakdown at worst.

The uprising of landed and landless peasants of Nandigram in West Bengal against the setting up of a Chemical SEZ in 2007, followed by violent state repression, highlights the brutality inherent in such a policy pursuit.

With regard to administrative justice, it is rare to find it these days and whatever there is seems to be reserved for those with money and muscle. Volumes can be written about police brutality and the failure of the administrative system to render justice to the poor and the weak. Looking at the happenings, one is left with a haunting feeling that most members of India’s elite administrative and police services are afraid to deliver justice even in the most deserving cases. The result is brutalization of governance!

“The growing might of India” cannot be sustained by mere GDP growth or technological excellence. These concern the body and we need the soul for sustenance. Brutality torments the soul and no nation can be mighty with its soul in torment. **g**



(clockwise from below) stills from the film and a queue in India: art reflects reality



India cannot be sustained by mere GDP growth or technology. These concern the body and we need the soul for sustenance. Brutality torments the soul and no nation can be mighty with its soul in torment

by RAVI VISVESVARAYA
SHARADA PRASAD

THE auctions for providing third generation mobile telecommunications services and Broadband Wireless Access services will not take place before the elections. On January 28, 2009, the Cabinet Committee on Economic Affairs abdicated its responsibility on taking a decision on an issue pending for over two years, but instead referred the matter to a Group of Ministers.

The Telecom Regulatory Authority of India had issued its recommendations in 2006. After over two years of bureaucratic wrangles, the government announced that the auctions would be held on January 16, 2009; they were then postponed to January 30. Now they have been further postponed indefinitely. While India is dithering, over 60 countries have rolled out 3G services, and Scandinavia is about to introduce 4G.

The CCEA was meant to arbitrate between the Department of Telecommunications and the Finance Ministry over the reserve price for the auctions. The DoT had set the reserve price for a pan-India 3G licence to be Rs 2,020 crore and that of a BWA licence to be half of that. It had hired NM Rothschild and Sons to conduct the auctions, issued an information Memorandum on December 12, 2008, and conducted a bidder's conference on December 23.

But, the Finance Ministry, which wants to raise at least Rs 30,000 crore from the auctions, wrote to DoT on January 1, 2009 that it wanted the reserve price for the 3G auction to be doubled to Rs 4,040 crore, and that of the BWA auction to be doubled to Rs 2,020 crore.

DoT was of the view that raising the reserve price would cause operators to lose interest, especially because of the global financial crisis. This would raise tariffs for subscribers since the winners of the auctions would pass on the added costs. It was supported by the Planning Commission and the Department of Industrial Policy and Promotion, both of which were against the proposal of the Finance Ministry to double the reserve prices.

The Finance Ministry countered that since there were likely to be very few bidders, the auction would be won at levels just above the reserve price. Therefore, it wanted the reserve price doubled in order to raise more revenue for the exchequer. The

ABDICATION OF

A confluence of vested interests has sabotaged a cutting-edge high-tech telecom initiative



SHARAD SAXENA



Mukherjee: conciliator

Paswan: attacker

The CCEA meeting on January 28, chaired by Pranab Mukherjee, witnessed acrimonious scenes with Lalu and Paswan attacking Telecom Minister A Raja, calling for more transparency in the Ministry's running

Finance Ministry felt that it would not be feasible for existing 2G operators to stay away from the 3G auction, since they would shut off all avenues for future growth as their existing 2G spectrum allocations were fully utilized. So they would be forced to participate and pay at least whatever the reserve price was.

In order to avoid allegations similar to those which were levelled at Telecom Minister Andimuthu Raja for allocating 2G spectrum on a First Come First Served basis at a throwaway price of Rs 1,651 crore, DoT referred the issue to the Law Ministry and the CCEA.

DoT wrote to the CCEA: "A very high reserve price in category C and B circles would discourage the entry of smaller regional players as they may not be able to justify the business plan. This would reduce the level of competition and lower revenue

collections from licence fees."

The CCEA meeting on January 28, chaired by Pranab Mukherjee, witnessed acrimonious scenes with Lalu Prasad Yadav and Ram Vilas Paswan attacking Telecom Minister A Raja, and calling for more transparency in the running of the Telecom Ministry.

As a compromise between DoT's reserve price for 3G as Rs 2,020 crore and the Finance Ministry's demand of Rs 4,040 crore, Raja proposed that the reserve prices for metros and 'A' circles could be doubled, that of 'B' circles raised by 50 per cent, while that of 'C' circles be left unchanged.

Apart from the reserve price, the other issue that the CCEA was meant to decide upon was the number of 3G and BWA licences to be allotted per circle.

At the meeting of the CCEA held on January 28, Sharad Pawar, Lalu Prasad

RESPONSIBILITY



SHARAD SAXENA



SHARAD SAXENA

Bharadwaj: critic

Raja: defensive

Since the CCEA could not come to a decision on either the reserve price or the number of licences, Ram Vilas Paswan and HR Bharadwaj suggested that the matter be referred to a Group of Ministers

Yadav, Ram Vilas Paswan, AR Antulay, HR Bharadwaj, and AK Antony supported allowing an unlimited number of players entry into 3G services. But the fact is that it is the shortage of spectrum which places a constraint on the number of players which can be accommodated.

In most circles, there is at most 25 MegaHertz of 3G spectrum available, since the rest of it is being used by the armed forces. The absolute minimum bandwidth required for an existing 2G operator to launch a 3G service is 5 MHz; a greenfield 3G operator would require at least 10 MHz. Therefore, there cannot be more than five operators per circle. In Rajasthan and the Northeastern states, there is no 3G spectrum available at all, since it is being used by the defence forces. Raja has throughout been saying that as and when the defence ministry vacated 35 MHz of remaining

spectrum, it could be put up for auction to the private operators.

In its 38-page note sent to the CCEA on January 12, DoT stated: "Since this issue with defence is unlikely to be resolved before the proposed date of 3G auctions in 2009, it may not be prudent to auction all the available spectrum as some of it may still be required by defence... It is against this backdrop that the communications ministry has decided to restrict the upcoming auctions to five players per circle... If additional spectrum is made available for mobile telephony services, it can subsequently be auctioned..."

Since the CCEA could not come to a decision on either the reserve price or the number of licences, Ram Vilas Paswan and HR Bharadwaj suggested that the matter be referred to a Group of Ministers.

The Finance Ministry is worried since the

pre-bidders conference held by DoT on December 23 attracted a poor response from multinationals. Only two — AT&T and Intel — were present. Global operators, who had initially exerted heavy pressure on the Finance Ministry to be allowed to participate in the 3G auction, stayed away. These include majors such as Verizon of the US, British Telecom, Orange, Cable & Wireless, Deutsche Telecom, and Telstra of Australia. In 2006, the Telecom Regulatory Authority of India had recommended that only existing 2G operators be allowed to participate in the auction to provide 3G services. But foreign operators, aided by their governments, had exerted heavy pressure on the Finance Ministry and the Prime Minister's Office to be allowed to enter the fastest growing telecom market in the world, with ten million subscriber additions every month.

But these very operators are now the ones lobbying for a postponement, arguing that their bankers are not able to fund their bids due to the global financial crisis. This is even after the government relaxed the External Commercial Borrowing guidelines to permit loans up to \$500 million to finance the spectrum acquisitions.

A further concession made by DoT to bidders was its turning down TRAI's recommendation of levying an administrative charge, equivalent to 2 per cent of licence fees annually, on successful bidders.

Several multinational operators alleged that the rules are tilted in favour of existing domestic 2G operators and further, that some of the terms and conditions are vague.

While new foreign operators have been permitted to bid, it has been made difficult in a practical sense for them to take part. Since only 5 Megahertz of 3G spectrum will be allotted per operator, it will be difficult for a pure-play 3G operator, who does not have 2G operations, to roll out a network.

Existing 2G operators can use some of their 2G spectrum for back haul and infrastructure purposes. Also, they will migrate

COUNTRIES
MOVING TO 4G

INDIA is lagging behind. UK and Japan introduced 3G services in 2001, and most of Europe by 2003. While India has been debating 3G for years, other countries in SAARC, such as Bhutan, have already launched 3G services. Sweden and Norway have gone further ahead having already auctioned 4G licences in May 2008.

TeliaSonera has awarded contracts to Ericsson and Huawei for building 4G Long-Term Evolution (LTE) networks in Oslo and Stockholm with a target commercial launch date of 2010. Verizon Wireless and Vodafone, which have been putting pressure on the Indian government to delay the 3G auction until the global financial crisis improves, have announced that they will install 4G LTE networks by late 2009, and are trialling equipment from Ericsson, Nokia Siemens Networks, Alcatel-Lucent and Motorola.

How many decades will it be before India implements 4G LTE? The Global GSM Association, headquartered in London, has already started lobbying the Indian government to keep spectrum free for 4G LTE services.

the 10 per cent or so of their high-end customers to 3G, and serve the remaining low-end customers with 2G.

DoT clarified that 3G winners could queue up for 2G spectrum. But fresh operators recognized that with nearly 450 pending applications for 2G spectrum allocation, there is no chance that new licencees will obtain any 2G spectrum at all.

New operators are not convinced about DoT's logic of imposing a Rs 1,651-crore fee for acquiring a Universal Access Services Licence over and above the 3G price.

Some multinationals have also pointed out that there is lack of clarity on the legal ability of 100 per cent foreign-owned companies to operate in view of Press Note 3 of 2007 which specifically restricts Foreign Investment to 74 per cent in telecom. The understanding is that foreign winners will have to obtain approvals from the Foreign Investment Promotion Board and divest 26 per cent equity to an Indian partner before they can begin operations. **g**

Adding more :

The Chief Minister's reorganization portends dictatorial control over senior police officers

by TARA PATKAR

AFTER the Nithari murders of children and the uncovering of Azamgarh's link with terrorism in Jaipur and Ahmedabad, the Uttar Pradesh government has initiated some changes in the name of police reform but all that has been achieved is added frustration in the police cadre. The government's decision to scrap the IG, zone post has been taken badly by the IPS cadre. For long, the cadre had been demanding implementation of the police commissioner system in large towns. But what they have been dealt is a demotion in status. Eight IGs were brought one rung down (range level). Chief Minister Mayawati said it would improve functioning and further strengthen the law and order machinery but the officers perceive it as a fallout of the old IAS-IPS rivalry. "It has once again proved IAS domination," commented an IG bitterly.

The question is whether the DIG-SSP in these districts will be available on call to the District Magistrate, who in most cases would be junior to him. According to the Warrant of Protocol of the Union government issued in 1973 and ratified by the UP government, "DIG is above DM and SP is below DM." "The government's decision will lead to subordination of the DIG," pointed out former DGP VKP Nair. "The DIG-SSP might not attend the meeting called by the DM.

The IPS and PPS officers in the state are also unhappy over the "reforms" introduced in the police department as their functioning will be affected. The SC directives stipulate fixed, two-year tenure for DGP, SP and SHO. But reality was exposed by a recent order of the Central Election Commission telling the UP government to remove all officers posted in one place for more than three years and send their names to the CEC. Surprisingly, the state government could not find a single such administrative or police officer. The truth is

that police officers' tenure at any place lasts no more than two or three months and this has affected efficiency. Within 20 months of coming to power, Mayawati changed 95 per cent of police officers who had spent no more than three months in their postings. Now, before imposition of the code of conduct for the coming Lok Sabha elections, the government is again in transferring mode. The state IPS officers' association is virtually defunct, with the president's post vacant for a long time, so the hapless officers have no voice.

The officers would be protected if, as directed by the Supreme Court, a state security commission is set up. The court also sought a police establishment board to decide all transfers, postings, promotions and other service-related matters of police officers below the rank of Deputy Superintendent of Police and make recommendations on postings and transfers of officers above this rank.

According to what the Mayawati government has initiated, police headquarters will now post all the police station in-charges. Till now, this authority was vested with the DIG and SSP of the range and district, respectively. Now it will come under the IG, establishment in-charge of all transfers and postings at the headquarters. Interestingly, the present IG, establishment, AK Jain, happens to be the secretary (IPS) to the CM as well. Hence, one interpretation is that all

IPS officers believe that senior IAS officers close to the echelons of power have also managed to scuttle the prospects of the police commissioner system in the state

muscle to MAYA RAJ



IGNORING SUPREME COURT DIRECTIVES

ON September 22, 2006, the Supreme Court delivered a historic judgement, in the Prakash Singh and Others Vs Union of India and Others case, stating six practical directives to kick-start the police reform process. The court's directives make it binding on all state governments to frame appropriate legislation. The most important directives are 1 and 6 – on setting up State Security Commissions and Police Complaints Authorities. However, most states, including Uttar Pradesh, are reluctant to comply.

The reason is that the state governments do not want to create separate power centres, comprising independent bureaucrats. Thus, as Dr Arvind Verma, an IPS officer-turned-professor at Indiana University in the US, points out, the vested interests of politicians and powerful civil bureaucracy in keeping the police under their control is a major reason holding up vital reform.

Former DGP of Uttar Pradesh Prakash Singh says, "Just 10 tiny states have given an assurance but are yet to set up any mechanism to implement the judgement, while the bigger states like Uttar Pradesh have ignored it so far. UP Chief Minister Mayawati recently announced some steps to strengthen the state police, but she was silent on the police reforms that are pending and for which the state has to face the court. UP is followed by Bihar and Uttarakhand which have got a new police Act but it is so regressive that it takes you back to the days of the East India Company."

inspectors will now be posted by the CM's secretariat.

It is also said that the post of IG, zone has been abolished to suit the interests of a couple of senior officers reportedly close to the CM. These officers, currently posted as IG, zones, are set to be promoted to Additional Director General (ADG) in the near future. Since IG, zone is the top post in the district police hierarchy, they will lose their powers to directly intervene in the functioning of the district police. So, once they are pro-

moted, the government will create the post of ADG (Zone) to enable them to continue to enjoy their present authority.

Most IPS officers also believe that a handful of senior IAS officers close to the echelons of power have also managed to scuttle the prospects of the police commissioner system in the state by introducing these reforms. Mayawati, after coming to power in May 2007, had promised to introduce the commissioner system if the state police managed to control crime and the

law and order situation. The IAS fraternity opposes the commissioner system as it will strip them of quite a few powers that they enjoy as District Magistrates. The new system also includes posting of all inspector-rank officers by the police headquarters. After the Auraiya engineer's murder, the CM had announced that all police stations would be headed by inspector-rank officers only. Since inspectors will now be posted by Headquarters, it means that all police station in-charges will come under the direct purview of Headquarters.

IN response to a PIL by two former DGPs, Prakash Singh and NK Singh, the Supreme Court also suggested setting up of independent police complaint authorities in the states and districts to look into public complaints against police officers. Again, states do not want to comply. The Centre has failed to enforce the directives. All it has done so far is to set up a law-drafting committee under Soli Sorabjee which submitted a draft Model Police Act to the Home Ministry.

Since the Supreme Court judgement 10 states have passed new police Acts, including Assam, Bihar, Chhattisgarh, Himachal Pradesh, Haryana, Kerala, Punjab, Rajasthan, Tripura and Uttarakhand. The remaining states are still governed by the Police Act of 1861. Mumbai and Delhi are governed by police Acts from 1859 to 1978.

According to People's Union for Human Rights (PUHR) state executive member Rajiv Yadav, "This time it was 26/11 and Nithari. But on a daily basis how many people in Delhi alone get murdered, maimed, robbed and raped? Is the police able to prevent and investigate such cases and come to a quick solution? The fact is that ordinary security is not available."

Had the Supreme Court directives been implemented, the police would have been removed from political control and given operational responsibility. Instead, the criminal-politician nexus is blooming and the ruling BSP is giving tickets to mafia dons and criminals like Mukhtar Ansari, Arun Shanker Shukla alias Anna that will lower the morale of the UP police. **g**

WINNING KALMADIS AND INFLUENCING SHARMAS

Or, how Rs 430 crore earmarked for Commonwealth Games coverage has spawned an unholy nexus

by S SUBRAMANIAM

PRASAR Bharati's affairs had been on the simmer for long. Now, they have been brought to the boil by none other than the Minister of State, Information and Broadcasting, Anand Sharma, who convened an urgent meeting on February 20.

The previous two Prasar Bharati board meetings saw CEO BS Lalli being lambasted for financial irregularities, non-utilization of funds, devising wrong policies, and rampant staff unrest. The board was criti-

cal of the fact that in-house talent and facilities were deliberately not properly utilized. Instead, the professionals working in AIR and Doordarshan were made out to be inefficient and corrupt.

national hockey and cricket matches. They have threatened to launch an agitation if the Commonwealth Games coverage is handed over to outsiders.

At the last meeting, the board had criticized the CEO's decision to invite outsiders and appointed a committee comprising Member-Personnel and Member-Finance to find out the infrastructural strength of Doordarshan and AIR. It stalled all sports-related exercises aimed at the Commonwealth Games.

At the heart of the matter is the

the CEO to function freely. He has perhaps forgotten that, under the Act of Parliament which created it, Prasar Bharati is an autonomous body with an appointed board to oversee its affairs.

Rather than interfering in this manner, the Minister would have done well to look into the CEO's performance. The latter has been involved in a series of controversies, including matters mentioned by the Central Vigilance Commissioner and Delhi High Court. There has been no internal auditing despite repeated notings by Member-Finance. There is loss of cash income. Grants given for content generation have been made out to be "income". Prasar Bharati is also not providing debtor statements and debt levels have gone up alarmingly.

These are the issues the board was concerned about – to the extent of being apprehensive that "a Satyam Computers-like situation has been created and there is too

Lalli has been involved in a series of controversies, including matters mentioned by the Central Vigilance Commissioner and Delhi High Court



Lalli and (right) Kalmadi: creating a fracas

Commonwealth Games outlay of Rs 430 crore for Prasar Bharati. So Lalli immediately turned to Suresh Kalmadi, President of the Games Committee. He reportedly did this through BM Bakshi, the controversial Director of the Delhi Centre, who was earlier transferred out by Priyaranjan Das Munsri for his questionable conduct in sports matters and RSS links. And Kalmadi apparently succeeded in influencing the Minister.

At the February 20 meeting, attended also by Arun Bhatnagar, Chairman, Prasar Bharati Board, and Uday Verma, Additional Secretary, I&B Ministry, the Minister stated that the board should allow

much of bungling". One board member even said they might be questioned by the CBI or CVC – all because of the CEO.

The Delhi Commission for Women has told Lalli to appear before it on March 26 in a sexual harassment case involving an established film producer vide complaint no. 9014969/Smt Roshni Devi dated February 9, 2009. The complaint was made by Anjalee Arora on January 15, accusing Lalli of making advances in return for approving her serial.

Despite the seriousness of the situation – there have been numerous questions in Parliament on various issues regarding Lalli – the Minister reportedly said the Board should be dissolved for "desired" functioning. **g**

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by NIRANJAN DESAI

IF there was a prize for the most asinine and vacuous proposal, there is no doubt that recipient would be the hotel associations and tour operators of India. In the face of the tourist slowdown for the current tourist season due to the global financial crisis, these worthies, exhibiting a total lack of imagination, have come up with a great solution. The remedy for them is the waiver of visa fee for foreign travelers. And what is the visa fee they are talking about, a mere \$35! It is indeed most laughable that any tourist would decide to come to India to avail of a discount of this measly amount! What is more shocking is that the Secretary, Tourism considers this proposal worthy of being taken up with the Ministry of External Affairs! This kind of pathetic thinking is a revelation of why India does not get its due share of tourists despite the fact that it has so much to offer to them that they should come in droves not once but again and again.

It has been my experience as a diplomat abroad that for the Department of Tourism and the tourism industry in India, the Ministry of External Affairs and Indian Embassies have always been, and continue to be, the whipping boy for their failure to put in imaginative policies and plans to attract mass tourism into India. For them the alleged difficulties in getting visas for India or the so-called cumbersome visa procedures have been the sole reasons that hinder the flow of tourists to India. A comparative study of visa procedures of various countries which are top tourist destinations in the world would show that Indian visa regulations are relatively more tourist-friendly than most countries. Anyway, considering the deteriorating international security environment, every country has to scrutinize visa application carefully to ensure that undesirable elements do not enter its territory.

A realistic study of why India's share of world tourist inflows is relatively so low would show that the problem does not lie in the visa procedures or visa fees. The problems are more at home and the failure of the Tourism Department and the tourist industry as a whole to take a holistic view of the situation from the viewpoint of a foreign tourist. I suspect that most of those who are in this business are themselves aware of it but do not have the imagination or the will to do something about it and, like ostriches with heads in the sand, are content to lay the blame on the Ministry of External Affairs and the Embassies. In fact, these two institutions have really very little role to play in this except publicizing India as a tourist destination which they do well in good measure.

The problems a foreign tourist faces are manifold and they need to be tackled on a war footing if India has to become a competitive force in the world tourist market.

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How can the industry think waiver of the

MISSING THE WOOD FOR THE TREES

As a first step, all those involved in this business need to pay more attention to the tourism advisories put out by the Embassies of the target countries. Admittedly these suffer from some inane generalities but they give a fair idea of how foreigners perceive India as a tourist destination because these are based on feedbacks which the embassies and governments receive from their citizens. Instead of attempting to rectify the situation, the Department of Tourism's response has been to plead to the respective Embassies to modify the critical aspects of their advisories.

The problems which tourists face in India could be broadly classified into three areas: underdeveloped and weak infrastructure; general state of hygiene and cleanliness; and the general attitude towards tourists.

The issue about level of tourist infrastructure is well known but very little is being done about it. Take our airports and railway stations. Indian airports are pathetic in terms of design and comfort and even the latest attempts at modernization have not achieved much. At most they give the appearance of glorified bus stops as compared to airports in the region. Railway stations, by and large, retain that old Raj look but I guess are filthier and dirtier than before.

Taxi services are substandard and exploitative. The taxis are by and large in a rundown state and even smelly. The manners of taxi drivers are appalling. Why cannot the administration make it mandatory for taxi owners to train their drivers, provide them uniforms and make them presentable? From the time China was awarded the Olympic Games, the Chinese Government embarked on a programme of training Chinese taxi drivers so



e \$35 visa fee will lure more tourists?



FOTOS4INDIA



Despite mouthing *ad nauseum* 'Atithi devo bhavo', most of those involved in the tourism business see the foreign tourist as an object of exploitation

that they would present a friendly face to tourists. The impending Commonwealth Games in Delhi requires such a programme in Delhi to start with.

The hotel infrastructure is underdeveloped and the range of hotels is limited. Either there are five-star hotels with fancy tariffs beyond the pocket of most tourists or one- or two-star hotels with such standards that they would not qualify to be called hotels in many countries. This is changing but the pace is slow and there is a crying need for good three-star hotels with clean bathrooms and bedsheets.

Most first-time tourists are greatly put off by the general standards of cleanliness of our cities and towns. After 60 years of independence, we still have not learned how to dispose of garbage or provide proper sewage facilities or build good roads. I remember very clearly a conversation I had with an official of PATA from Australia who very hesitatingly asked me, "Why is it that all India's major cities and towns give a general appearance of being in an unfinished state?"

MOST of all, we need to change our attitude towards foreign tourists. Despite mouthing *ad nauseum* "Atithi devo bhavo", most of those involved in the tourism business see the foreign tourist as an object of exploitation. One constantly hears from foreign visitors that they were forever being cheated or overcharged. My son, who was on an official trip to India, once hired a taxi from the Taj Land's End to go to Taj Mahal hotel in Colaba. The hotel charged him a whopping Rs 2000 for the trip! For that amount he could have hired a taxi for about four days. Unless there is a fundamental change in the mental attitude of the tourist industry along its entire food chain to regard a foreign tourist as a guest and a visitor who brings wealth to the country and needs to be treated as such, India will have only a determined and committed minority who are fascinated by India's mystery, philosophy, culture and history and who can see beyond and through the dirt and filth.

To be a mass tourism destination like Spain or France, India has a long way to go and cheap sops like waiving visa fees, free travel and hospitality to those visiting India the third time is only tinkering with the problem. And certainly, tax payers should not foot the bill for such sops. It is for the industry to cut their cloth according to the needs of the time by reducing tariffs.

The present world economic situation is an opportunity for the industry and the Department of Tourism to introspect on how to bring about a fundamental change in the tourism industry rather than tinkering with impractical and meaningless short-term solutions. Expensive advertising campaigns like 'Incredible India' can only succeed when the expectations raised are matched by conditions on the ground. **g**

by TR RAMACHANDRAN

UNION Fertilizer, Chemical and Steel Minister Ram Vilas Paswan, who became an MLA in his home state of Bihar way back in 1969, believes Delhi is where he belongs. As a corollary, he has played a significant part in national politics and now has an eye on the seat of power on Raisina Hill. If arch rival Lalu Prasad Yadav, Uttar Pradesh Chief Minister Mayawati, Samajwadi Party chief Mulayam Singh Yadav and several others have Prime Ministerial ambitions, so does the Lok Janshakti Party supremo. Paswan has thrown his hat in the ring by declaring that he would like to lead the Congress-led UPA in Bihar.

Aware that the arithmetic emerging after the general election will be critical, Paswan has left his chief ministerial plans in Patna vague. The reason is obvious. He needs support in his constituency, Hajipur, and in other parts of Bihar. Also, he has created for himself certain liabilities requiring "*paisey ki rajniti*". This is where his reputation for amiability, easy style of functioning and touted desire to help the underprivileged will come in handy. At the same time, Paswan realizes that, to pursue his objectives, it is imperative that he remain a Minister at the Centre. Being a Union Minister is not only prestigious but adds tremendous leverage in promoting his agenda. Significantly, he has been a Central Minister since 1996 – serving a record five Prime Ministers. He also has the distinction of being a part of all the national coalitions – United Front, National Democratic Alliance and the current UPA. Some term it political dishonesty. But he has no enemies among the national political formations. Now, he even insists that there should be reservation of jobs in the private sector as well.

A socialist, Paswan emerged as a Dalit leader during the Jayaprakash Narayan movement in 1974. Greatly influenced by radical social reformer EV Ramaswamy Naickar or "Periyar", he has a similar approach to prevailing injustices being heaped on Dalits and backward classes. He is against the assertion of any animus towards the upper castes. His second wife is an upper-caste Sikh. Paswan's goal is to ensure that Dalit and other backward and weaker sections get a fair share of the benefits of social engineering. Ram Manohar

With malice

The Dalit leader counts on his amiability to help h



Lohia, Charan Singh, Karpoori Thakur and VP Singh also helped shape Paswan's ideology.

He also admired Jagjivan Ram as the nation's tallest Dalit leader and envisioned donning that mantle. But that has not happened. In Bihar alone there are at least three other Dalit leaders who have their own spheres of influence.

Paswan was born in 1947 in a backward village in North Bihar. His family was a rel-

atively prosperous Ansadh family, and his grandfather had two acres of land which were enlarged to 30 acres by his father and uncle. His father was keen on educating the children and started his son off with private tuitions. Then Paswan attended a school, crossing two rivers to reach it, and received a scholarship of Rs 10 per month. He completed graduation in Patna, living in a Harijan hostel, and received the last instalment of the scholarship after becom-

from none...

to him become a Prime Ministerial contender

When Lalu stunned Paswan...

ONCE, after Paswan became a Union Minister, Lalu suggested making his first wife, Raj Kumari, a member of the Bihar Legislative Council. Stunned, Paswan told Lalu he would get back to him in a few hours. Paswan's fear was that, if his first wife became an MLC, it could affect his political ambitions as he had remarried. Eventually, he decided to gamble. He told Lalu to go ahead. The latter quickly changed the topic and a relieved Paswan realized it had been a joke.

Earlier, Raj Kumari had lamented to a scribe, "Which woman would not like to stay with her husband....However, if he does not want it, what can I do?" On his remarriage, she said he had told her that to do well in politics in Delhi, one required a pretty woman by his side. Thereafter, Paswan took steps to ensure that nosy Parkers were kept clear of his first wife.

Paswan has thrown his hat in the ring by declaring that he would like to lead the Congress-led UPA in Bihar

ing an MLA in 1969. In college, he paid more attention to politics than studies.

There is a heartwarming story about how the seeds of politics were sown during Paswan's village days. A *chamar*, after having forfeited his meagre plot, was on the verge of being beaten by a Brahmin for not returning an interest of Rs 350 on a loan of Rs 75. The poor man's hands and legs were tied and the Brahmin was about to hit him when Paswan intervened. After

suffering the ignominy of being beaten by a Dalit, the Brahmin had no option but to leave the village.

After BA and before completing LLB, Paswan qualified for the Bihar Provincial Civil Service and was selected as a Deputy Superintendent of Police in the reserved quota for Scheduled Castes. Prior to that he had come into contact with socialists and contested the 1969 Assembly elections as a member of Lohia's Samyukt Socialist Party.

As a JP associate, Paswan was jailed during the Emergency from 1975-77. He entered the Lok Sabha in 1977 as a member of the Janata Party and continued to do so till 1984. In 1989, he won the Hajipur seat by a record margin of more than 5 lakh votes which got him into the *Guinness Book of World Records*. He was inducted in the VP Singh Cabinet as Minister for Labour and Welfare and worked for Mandalization and reservation of seats in government jobs for Other Backward Classes (OBCs). He promoted himself as a strong leader of the OBCs and Muslims. Yet, there is no Muslim politician of any eminence who owes his rise to Paswan. Muslim politicians of Bihar say Paswan will not allow any of them to emerge as a leader with an independent base. Like other party chiefs who rule with an iron hand, Paswan would rather handpick sycophants who can be dumped once they have outlived their utility or become too big for their boots.

Kanshi Ram's emergence as a Dalit leader of the country in 1983 posed a serious threat. In a calculated move to counter him, Paswan set up the Dalit Sena.

After VP Singh was voted out of power, Paswan found a berth in HD Deve Gowda's Cabinet in 1996. He was put in charge of the crucial Railways portfolio and promoted Dalit interests. He also regularized temporary sweepers on the gigantic railway network. When the Gowda government fell, Paswan was considered for Prime Minister but lost out to IK Gujral. Then came the NDA government under Atal Behari Vajpayee. Paswan was quick to join

hands and was appointed Railways Minister, subsequently shifting to Communications which he held till 2001. Thereafter, he was moved to Coal.

Disappointed by both transfers, Paswan bided his time while waiting for a politically opportune moment to quit the NDA. He consulted journalists and friends. He told the media of his desire to resign but was advised to wait for a politically significant moment. It presented itself in the form of the Godhra carnage in 2002 and Paswan bid adieu to the NDA.

Having formed the LJP in 2000 and throwing his weight behind the UPA after the 2004 general election, Paswan was given the Chemicals and Fertilizers portfolio by Prime Minister Manmohan Singh. In the Bihar Assembly elections in 2005, he refused to support Lalu or the NDA, accusing the RJD leader of being highly corrupt. The Janata Dal (United)'s Nitish Kumar lured LJP legislators to defect, resulting in Bihar being brought under President's Rule. Later, the NDA formed the government in Patna.

THROUGHOUT his career, Paswan has endeared himself to some charismatic leaders. It is well known that Karpooori Thakur, who took him under his wing, introduced him to Charan Singh with the remark that he was a good singer. Many journalists and others in Patna vouch for this talent.

In the run-up to the coming general election, Paswan finds himself once again at a crossroads. It is widely believed that the LJP on its own does not stand a chance of garnering a sizeable number of the 40 Lok Sabha seats from Bihar. RJD chief Lalu is in trouble, necessitating a defensive approach. The RJD is losing ground very fast, having lost all the byelections. Observers say the "jungle raj" in Bihar has ended. In the past three years, under the Chief Ministership of Nitish Kumar, 28,000 criminals have been sent to jail after speedy trials. Nitish is being seen as the "*vikas purush*" and Lalu as the "*vinash purush*". If the LJP and RJD do not come together, the advantage may pass to the NDA with the UPA coming a cropper. Paswan, pitching for 16 seats, is hoping his constituents will pitch in. Whether they will or not, is the question. **g**

From Tiruchirapalli

A member of the design team behind India's first nuclear blast looks b

MY motto in life has been "Improving the common man's life through scientific means". When I was a student in the secluded town of Tiruchirappalli in Tamil Nadu, not many people knew about the scope of science. I am grateful to my teachers who saw a scientist in me and nurtured me. I came from a small middle-class family and my father was a junior engineer in the state electricity board. I studied in one of Tamil Nadu's best colleges – St Joseph's College, which is older than Chennai University. Dr Abdul Kalam also studied there.

I always stood first in class and got a first class first in MSc. Atomic energy was a glamorous subject in those days. Research was considered fashionable and was not common then. The Bhabha Atomic Research Centre (BARC) started giving fellowships to young scientists and I was selected for one.

I joined BARC immediately after college but continued my studies and did PhD while working at BARC. Though I did not get the opportunity to do research directly under Homi Bhabha, I used to observe him working. I worked with Dr Raja Ramanna – father of the Indian nuclear programme. One cannot imagine today that we worked on wall-size computers called TIFRAC computers.

We were proud of working at BARC because the office was air-conditioned, with a well-equipped laboratory and computers. The atmosphere at BARC was very stimulating since the best brains of the world, including Nobel laureates, used to come for interaction. I learnt a lot from these interactions. They decisively influenced my outlook and vision for my nation.

I was part of the design team of the first nuclear bomb of India – Pokharan I – and was assigned a very specific job. It was a secret programme and no one knew as to what others were doing except probably the top bosses. We started from scratch

under the leadership of Dr Ramanna.

The plan to have a nuclear bomb must have started some time in 1969 or 1970 and we had no idea as to what the budget was. But it was a 100 per cent Indian effort. BARC, to me, was the best workshop in the world. We developed most of the parts there itself. Some work was done through vendors who were provided with the design only and never knew what it was meant for.

When Pokharan I took place in 1974, everybody was surprised. The reaction was quite exhilarating. We were proud that India could do it.

I spent 25 years at BARC. Later, I established the Institute of Physics in Bhubaneswar in 1989 and was there till 1994. The institute is known for its research facilities. I then became Secretary, Science and Technology, Government of India in 1995 – a position I held for 11 years. I think I was one of the longest-serving Secretaries of the Government of India. My endeavour as Secretary was to develop the best research facilities in the country.

I started two major programmes for budding scientists – the Swaran Jayanti Fellowship and the Kishore Vigyanik Protsahan Yojana. Can you believe that India is a major participant in the Centre for European Nuclear Research, which became possible when I was Secretary in the Government of India? As a researcher, I know what kind of equipment is needed.

India's global position in the scientific world is on a par with that of China and Europe. In the US, 24 per cent of scientists are of Indian origin. But we still lack the infrastructure required to produce quality research.

Bhabha, Ramanna, R Chidambaram and Richard Feynman have been my role models throughout my life. To me, research is a challenge. From scarcity of food to the green revolution in 1969 and the nuclear bomb in 1974 – they were all challenges that we met successfully. People will be surprised to know that,

The plan to have a nuclear bomb must have started some time in 1969 or 1970 and we had no idea as to what the budget was. But it was a 100 per cent Indian effort. BARC, to me, was the best workshop in the world. We developed most of the parts there



Indira Gandhi at the blast site



to POKHARAN 1974

back on a life devoted to the unglamorous world of scientific research



SHARAD SAXENA

Researchers' lives are not glamorous. I have always worked behind the scenes. That is what every scientist does. Our media does not give adequate attention to the scientific world. There are many human interest stories which need to be highlighted

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during the signing of the 123 Agreement, the Americans remarked at a meeting, "Whenever we deny anything to India, they always come out with new things". This shows how Indian scientists take up challenges.

Scientific research is a long-drawn process and does not bring instant results. It needs time and infrastructure and does not guarantee 100 per cent success. Research is always a risky proposition and requires a lot of patience. But a good scientific idea has a time limit. If you don't start working on it, it becomes stale. In our system, the process of consultation is too long. We need to shorten it.

THE Government of India is aware of the importance of science and scientific research. It is focusing on the IITs, inspiring youth, spending more resources on education. It is a sign that in the days to come scientific research will have its place.

Researchers' lives are not glamorous. I have always worked behind the scenes. That is what every scientist does. Our media does not give adequate attention to the scientific world. There are many human interest stories which need to be highlighted.

I am still contributing as a scientist. There is not a minute in a day when I don't think about science. I am currently Chairman of the Board of Governors of IIT, Delhi. I am also Chairman of the Recruitment and Assessment Board of the Council of Scientific and Industrial Research (CSIR) which has a total of 25,000 employees of which 8,000 are scientists. And I am part of the National Security Advisory Board as Member, Technical. So every day I am contributing whatever I can for my country.

After my present engagements in Delhi are over, I plan to settle in Coimbatore. **g**

POINT OF CATHARSIS

India may lose its strategic edge in the island nation as its government stands poised for victory

by COL R HARIHARAN

The Sri Lanka security forces are poised to end the military capability of the Liberation Tigers of Tamil Eelam (LTTE), the dreaded Tamil insurgent group that had been ruling its own *de facto* state within the nation. The LTTE is fighting for survival in the last foothold of its domain that has dramatically shrunk from 11 districts in 2002 to virtually 200 square km now. The offensive going on since 2006 is the fourth episode in the Eelam Wars the two forces have been fighting since the LTTE refused to accept the India-Sri Lanka Agreement in 1987. It felt the Agreement was detrimental to its goal of carving out an independent Tamil Eelam nation in Sri Lanka.

Considered one of the most powerful insurgent bodies in the world, the LTTE under the leadership of Velupillai Prabhakaran had also refined the use of terrorism as a force multiplier in operations. Though Prabhakaran has bounced back stronger from battlefield setbacks in earlier Eelam wars, this time the Sri Lankans appear to have practically neutralized his conventional military capability.

Sri Lanka's success against the LTTE is due to the singular focus of President Mahinda Rajapaksa in eliminating the war that had hobbled the country's development. In the past, military operations had swung between well meaning peace initiatives and war due to lack of national consensus on handling the issue of devolution of powers to the Tamil community, which forms a fourth of the population. Rajapaksa got elected as President with a promise to end the Norwegian mediated

peace process that limped through from 2002 to 2006. He identified military defeat of the LTTE as the key to resolving the issue and found an effective military chief in the army commander, Lt-Gen Sarath Fonseka, to achieve his ends.

Taking up the military option also ended Sri Lanka's readiness to evolve a peaceful solution to the Tamil question within a federal framework that formed the basis of the Oslo peace accord. Over 48 countries and UN bodies under the leadership of four co-chairs – the European Union, Japan, Norway and the US – had underwritten the peace process. President Rajapaksa had leveraged the antipathy of Sinhala rightwing politicians and sections of the more conservative Southern Sinhala population to a federal solution to get elected.

His power projection on coming to office has caused widespread concern among civil society, the four co-chairs, and India. His political methods have been questionable. He installed his three brothers in key positions in the political and bureaucratic decision-making process. He has split almost all political parties to his advantage. Corruption and absence of rule of law have become endemic in the country. Human rights have been trampled upon, encouraging mindless enforcement of draconian laws with the security apparatus resulting in disregard for rule of law. This has left the



Lankan troops in LTTE territory: real gain

Tamil community with a feeling of insecurity and uncertainty about their future.

This feeling has been enhanced by the strong rightwing Sinhala nationalist stance of Lt-Gen Fonseka who is riding the crest of military success. The increase of the armed forces to over 150,000 in the last 15 years came about as a result of the Eelam wars. The disproportionately large military strength in such a small nation has introduced an unpredictable element in Sri Lanka's power structure. Sri Lanka is well known for manipulative politics and, even if the armed forces remain aloof from politics, their kinetic power could be exploited by politicians. Thus armed forces would appear to be a new factor influencing Sri Lanka's policies for some years to come.

India always sympathized with the Sri Lanka Tamil struggle for equity even while it stood for a united Sri Lanka. No doubt this was largely influenced by the strong sentiments on the issue among the 60-million Tamil population living in India. The Tamil issue became a hardy perennial affecting India's relations with Sri Lanka since the anti-Tamil pogrom in Colombo in 1983. It culminated in the signing of the India-Sri Lanka Agreement in 1987 between the two countries. However, the Agreement floundered due

The Lankan armed forces would be a new factor influencing Sri Lanka's policies for some years to come. Their kinetic power could be exploited by politicians



Rajiv and Jayawardene sign the 1987 accord: India's short-lived influence

India played the role of passive spectator during the Oslo peace process in 2002, giving a strategic foothold to external powers at our doorstep without gaining any advantage

to objections both at home and abroad as it lacked transparency. India's military intervention in 1987 to implement the agreement was a fiasco as its objective became skewed when it ended up fighting the LTTE for three years. Political changes

both at home and abroad saw the return of the Indian force in 1991, creating only bitterness among all stakeholders.

Since then, India-Sri Lanka relations have focused on common interests in trade and commerce rather than the issue

of equity for the Tamil minority. So India played the role of passive spectator during the Oslo peace process in 2002, giving a strategic foothold to external powers at our doorstep without gaining any advantage. India has been a low-profile contributor of mostly non-lethal weapons and services to the expansion of the Sri Lanka armed forces due to the strong objections from India's Tamil population to any military aid. This has paved the way for China and Pakistan to increase their strategic influence as suppliers of military hardware to Sri Lanka, the strategic vanguard of India in the Indian Ocean.

Overall, India appears to have conducted its affairs in Sri Lanka without adequate attention to its strategic interests over the long term. Its Sri Lanka policy had been reactive at best. Delhi's coalition political compulsion due to Tamil Nadu's strong public objections to the suffering of the war-affected Tamil population in Sri Lanka has now become an important factor governing it. However, India finds that it can do little as it had sacrificed its strategic leverage due to external powers in Sri Lanka. This amply demonstrates the lack of a national strategic vision. The time has come to correct the drift in strategic policy in Sri Lanka with a well-integrated political, diplomatic and development initiative. **g**

The writer is a Military Intelligence specialist with the South Asia Analysis Group

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For the complete list, see www.indianbuzz.com

SSN MOORTHY

The 1973-batch IRS officer has been appointed Chairman of the Central Board of Direct Taxes.

UK BANSAL

The 1974-batch IPS officer of the UP cadre now holds the new post of Special Director General, Border Security Force.

DEVESH CHATURVEDI

The 1989-batch IAS officer of the UP cadre has assumed charge as Additional Director General, Tourism.

SHYAM AGRAWAL

The 1980-batch IAS officer of the Rajasthan cadre is now Joint Secretary, Commerce.

VISWANATH CHIRRAVURI

The 1981-batch IAS officer of the Andhra Pradesh cadre has become Joint Secretary in the Warehousing Development and Regulatory Authority.

NC ASTHANA

The 1986-batch IPS officer of the Kerala cadre has been appointed IG (Operations) Srinagar.

AMITABH JAIN

The 1989-batch IAS officer of the Chhattisgarh cadre has been promoted to Additional DGFT.

CA REDDY

The 1986-batch IFS officer of the AGMUT cadre is now Member Secretary, National Biodiversity Authority, Chennai.

RS SETHI

The 1973-batch IAS officer of the UT cadre has become Chairman of the Third Finance Commission for Union Territories.

GOVIND MOHAN

The 1989-batch IAS officer of the Sikkim

cadre has assumed charge as Joint Secretary, DEA.

RC TAYAL

The 1980-batch IPS officer of the Assam-Meghalaya cadre has joined the CRPF as IG.

NANDITA CHATTERJEE

The 1980-batch IAS officer of the West Bengal cadre is now Principal Secretary, Tourism in West Bengal.

VILASINI RAMACHANDRAN

The 1977-batch IAS officer of the Gujarat cadre has been appointed Additional Secretary, Expenditure.

EV BHAVDAS

The 1991-batch IES officer has been posted as Director in the Planning Commission.

AK SHRIVASTAVA

The 1980-batch IFS officer of the Jammu and Kashmir cadre is now Joint Secretary, National Commission for Economically Backward Classes.

KHAZIR MOHAMMAD WANI

The 1993-batch IAS officer of the Jammu and Kashmir cadre has become Member of the J&K Public Service Commission.

EK BHARAT BHUSAN

The 1979-batch IAS officer of the Kerala cadre has been appointed Joint Secretary & FA in the Ministry of Civil Aviation.

S GOPINATH

The 1993-batch IPS officer of the Kerala cadre has become City Police Commissioner, Thiruvananthapuram.

MADHAV CHANDRA

The 1979-batch IFS officer has become Indian High Commissioner to the Republic of Botswana.

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MOVING ON: ias and ips officers retiring in March 2009

ANDHRA PRADESH

J Sudha Rani (1991)

BIHAR

GS Dutt (1973)

CHHATTISGARH

LN Suryavanshi (1992)

GUJARAT

K George Joseph (1972)

HIMACHAL PRADESH

Ravi Dhingra (1972)

HARYANA

NC Wadhwa (1986)

JAMMU & KASHMIR

KM Wani (1993)

KARNATAKA

PB Mahishi (1972)

MADHYA PRADESH

MA Khan (1983)

MAHARASHTRA

Chitkala Zutshi (1971)

PUNJAB

RPS Pawar (1975)

RAJASTHAN

Chandra P Vyas (1989)

SIKKIM

KP Adhikari (1992)

TAMIL NADU

V Kanagaraj (1988)

UTTARAKHAND

VK Pathak (1994)

UTTAR PRADESH

Shangara R Lakha (1979)

ips

ASSAM-MEGHALAYA

SP Ram (1974)

BIHAR

Madai Ram (1991)

GUJARAT

PC Pande (1970)

MADHYA PRADESH

RC Chhari (1983)

NAGALAND

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RAJASTHAN

PS Chudawat (1974)

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Nothing dare, nothing win

POST-SATYAM markets have been nervous, aided by the regulators' attempted pro-active measures to ensure best corporate governance practices. The measures appear to have had a dysfunctional effect on the markets. For instance, the markets have reacted negatively to disclosures with regard to the pledging of shares with stocks of all those companies being dumped by investors making the disclosures. The prevailing market sentiment might have to be blamed for this behaviour since no attempt seems to have been made to know the end use of the funds so raised. The common fear is that, in the event of a further fall, such shares may be dumped by lenders for nonfulfilment of margin calls by such promoters. However, the most likely impact of such an eventuality may indeed be positive as those

SSI Ltd – a company indicted in the Ketan Parikh scam. Besides, the financials are *prima facie* not credible. Surprisingly, the IPO has been fully subscribed even in these trying times when even top class companies would have struggled to attract investors' attention. If appropriate steps are not taken, the company may leave a Satyam-like trail in corporate scams.

Meanwhile, the corporate sector reported its worst performance in the past five years with aggregate sales growth of Nifty companies dropping to single digits and net profit shrinking 12 per cent for the December quarter. A combination of sharply lower realizations for commodity players, market-to-market losses on derivatives exposure and high financial charges have done the damage across sectors with only a few exceptions.

Even sectors like FMCG and pharma belied expectations. While services sectors performed better, manufacturing clearly disappointed. But the catch is that services, mainly comprising IT and finance, have significant downside risks ahead. Even the revival of interest rate-sensitive sectors is subject to consumer sentiment improving. The steep fall in tax revenue and mounting fiscal deficit touching 10 per cent of GDP has worried policy

makers because of the limits it imposes on the policy options available with them.

Indian markets of late have again started attracting the attention of international investors. The comparatively high growth, the recent policy easing by the RBI, timely fiscal stimulus by the government, likely demand stimulation due to hefty pay hikes given by the Sixth Pay Commission, and rural demand remaining robust are some positives. More important, the Indian market now trades at a discount to MSCI Asia ex-Japan Index, with the latest forward PE ratio less than 10. Also, there is a general consensus that the Indian economy will be among the

first to bounce back and the markets will start looking up much before that.

Though there are significant risks in the short term, equities offer a promise of decent returns over three to five years. There may be intermittent rallies with one of them finally turning out to be the beginning of the next bull run. No one can for sure predict the time for definite revival. In the current scenario, investing may yield losses to the tune of 20-25 per cent at worst, but waiting for sure revival will make the investor miss out the initial rally – putting him in a disadvantageous position.

Zee Entertainment Enterprises

(CMP Rs 105)

ZEE Entertainment Enterprises is a leader in entertainment with a bouquet of popular channels. It is likely to continue clocking growth in revenues on the back of cable digitalization and DTH due to substantial contribution coming from subscriptions – half from overseas – that gives it enough leverage to increase user charges. With an increased number of cities coming under the ambit of the conditional access system (CAS), it will get broadcasters a better share of revenues.

The company expects DTH subscribers to double in the country. This will substantially improve the advertising revenue, more so because Zee offers a diversified portfolio of channels that suits the advertiser more. The company also expects to considerably improve its receivables position by efficiently recovering dues from cable operators.

The stock is available at a PE of around 18 to its trailing 12 months' EPS, and may not look cheap on account of a lacklustre performance in the previous couple of quarters. But the way it has positioned itself and the fact that not many channels are actually making profits shows that Zee is likely to benefit most when things start improving. Investment in the stock with a two to three years' time horizon can give decent returns.

None, including the regulator, analysts, media and even the most active investor groups, cares to look into what has been disclosed. It was shocking to know the disclosure made in the RHP of the IPO of Edserve Softsystems

who end up acquiring such shares may be financially stronger and more professional than the incumbent managements.

Another aspect of concern is the obsession of the regulator with what it prefers to call the "disclosure-based regime", especially for clearing IPOs of companies. None, including the regulator, analysts, media and even the most active investor groups, cares to look into what has been disclosed. It was shocking to know the company and the quality of disclosure made in the Red Herring Prospectus (RHP) of the recently concluded IPO of Edserve Softsystems. The *de facto* promoters of the company earlier promoted

The author has no exposure in the stock recommended in this column. gfiles does not accept responsibility for investment decisions by readers of this column. Investment-related queries may be sent to gfilesindia@gmail.com with Dr Sood's name in the subject line.

PM cuts AIIMS, Ramadoss to size

PRIME Minister Manmohan Singh's decision to have Dr Ramakant Panda, head of the Asian Heart Institute in Mumbai, do a beating heart redo bypass at AIIMS has boosted the morale of the home-grown specialists. The PM could have chosen to go abroad or invite a specialist from a foreign hospital like his predecessor, Atal Behari



Vajpayee.

At the same time, it exposed the hollow claims of ex-AIIMS director P Venugopal and his followers that the institute has the best heart-care facility in the country. Why is the AIIMS heart care centre lagging? Insiders blame it on Dr Venugopal's ego and his politicization of the department.

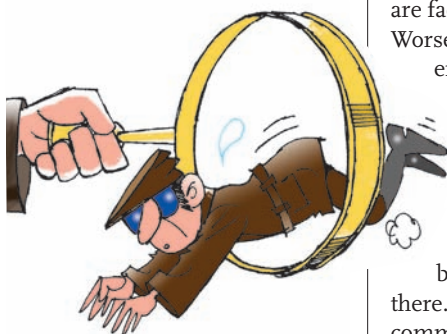
In his inimitable style, the PM also sent a strong message to Health Minister Anbumani Ramadoss by excluding him completely. The PM's security chief conveyed to the AIIMS administration that the Health Minister would not be allowed to enter the cardiac centre during Manmohan's stay there. The Prime Minister's equation with his Health Minister is reminiscent of Morarji Desai's reported snub to then Health Minister Raj Narain. The latter had gone to the airport with a bottle of

perfume to receive PM Desai, who was returning from a foreign trip. Desai apparently remarked, "Abhi aap ittar lagate hain, mere piche chakku chalte hain."

RAW chief's health butt of sarcasm

THE selection of the Research & Analysis Wing (RAW) chief has never been easy and this time was no different. KC Verma of the 1971 IPS batch of the Jharkhand cadre was picked over three top officials of the organization. This raised eyebrows, especially as he has never worked with RAW. Verma has always been with the Intelligence Bureau. Before this assignment, he was an Internal Security Adviser to the Home Minister.

South Block's officers are all the more taken aback by Verma's appointment as, six



months ago, he had been offered the post of IB chief and had declined on the ground that he had just had bypass surgery and would not be able to withstand the stress of the work. How, ask the officers, has he become strong enough in six months to take up the strenuous job of RAW chief?

Caught between Maya and deep blue CEC...

THE bureaucrats loyal to UP Chief Minister Mayawati are faced with a peculiar predicament owing to the imminent parliamentary elections. On the one hand, the polls present a vital opportunity to demonstrate their loyalty to her regime. On the other, they have to be wary of drawing the attention



of the Election Commission with any show of bias as this would mean an adverse entry in the service record.

Both IAS and IPS officers are facing this dilemma.

Worse, their earlier experiences are making them reconsider the present scenario.

Bureaucrats loyal to the last Mulayam Singh Yadav regime today find themselves being shunted here and there. Truly, as an officer commented wryly, "It's a do or die situation."

Some have used their influence to get postings out of harm's way. This has raised the hackles of other loyalists, who are lambasting them for being so career-conscious. "Now that it is time to pay back for those plum postings, why are they so afraid?" remarked an officer. "A one-sided affair does not last; just

wait till the elections get over." So the knives are being sharpened!

Just desserts for Neeta Chaudhary

AND here is a tidbit about another UP bureaucrat, Neeta Chaudhary, also being in an unhappy situation. She has been shifted twice in two months. However, it is only after the Mayawati government came to power that the stars stopped favouring the imperious Chaudhary. Earlier, she led a charmed life. As Principal Secretary, Health, she was the real boss of the health department and even Minister of Health Anant Kumar Mishra was not treated properly by her.

Then, two months ago, her troubles began. At the medical university's convocation in Lucknow, Vice-President of India Hamid Ansari criti-



cized the state machinery for the miserable state of health in Uttar Pradesh. Chaudhary had to pay the price. She was the lone person transferred. Her subordinates in the health department distributed sweets while one can imagine the state of mind of her new subordinates in the industrial health department. Now, she is leaving the latter department for the planning and programme implementation department. And it is the turn of the staff there to go into a tizzy. **g**

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